

ASSEMBLY BILL

No. 697

Introduced by Assembly Member Ruskin

February 22, 2007

An act to amend Sections 5544.2 and 5549 of the Public Resources Code, relating to parks and recreation.

LEGISLATIVE COUNSEL'S DIGEST

AB 697, as introduced, Ruskin. Parks and recreation: districts: expenditures and repayment of indebtedness.

(1) Existing law provides for the creation and powers and duties of regional park districts, regional park and open-space districts, and regional open-space districts. Existing law authorizes those districts to acquire all necessary and proper lands and facilities by means of a plan to borrow money or by purchase on contract. Under existing law, indebtedness that is incurred in that manner on or after July 1, 1982, is generally required to be repaid during a period that does not exceed 20 years from the date on which it is incurred. Certain indebtedness incurred in that manner by the East Bay Regional Park District is required to be repaid in a period that does not exceed 30 years, and make conforming changes.

This bill would require the indebtedness that is incurred in that manner by any of those districts on or after January 1, 2008, to be repaid during a period that does not exceed 30 years.

(2) Existing law authorizes, with the approval of the board of directors of the district, the general manager of the East Bay Regional Park District, the Midpeninsula Regional Open Space District, or the Sonoma County Agricultural Preservation and Open Space District to bind the applicable district, in accordance with board policy, and without

advertising, for the payment for supplies, materials, labor, or other valuable consideration for any purpose, including the new construction of a building, structure, or improvement in amounts not exceeding \$25,000.

This bill would increase the above spending limitation to \$50,000.

Vote: majority. Appropriation: no. Fiscal committee: no.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5544.2 of the Public Resources Code is
2 amended to read:

3 5544.2. (a) A district may acquire all necessary and proper
4 lands and facilities, or any portion thereof, by means of a plan to
5 borrow money or by purchase on contract.

6 (b) The amount of indebtedness to be incurred shall not exceed
7 an amount equal to the anticipated property tax revenue allocations
8 for the next five-year period derived pursuant to Chapter 6
9 (commencing with Section 95) of Part 0.5 of Division 1 of the
10 Revenue and Taxation Code or the anticipated tax income for the
11 ~~next 20-year~~ period *of repayment provided in subdivision (c) or*
12 *(d)*, derived pursuant to Section 50077 of the Government Code,
13 or both. ~~All~~

14 (c) ~~All~~ indebtedness ~~which~~ *that* is incurred on or after July 1,
15 1982, pursuant to this section shall be repaid during a period not
16 to exceed 20 years from the date on which it is incurred and shall
17 bear interest at a rate not exceeding 10 percent per annum, or the
18 rate allowed pursuant to Section 53531 of the Government Code,
19 if higher, payable annually or semiannually or in part annually and
20 in part semiannually. Notwithstanding any other provision of this
21 section, with respect to the East Bay Regional Park District only,
22 all indebtedness incurred pursuant to this section for acquisition
23 of lands and facilities designated in the district's master plan,
24 including the Chabot Ridgeland, shall be repaid during a period
25 not to exceed 30 years and at a rate not exceeding the rate allowed
26 in this section for other districts. All other acquisitions of land and
27 facilities by the East Bay Regional Park District not designated in
28 the master plan are subject to the 20-year repayment period
29 limitation of this section. ~~Each~~

(d) Notwithstanding subdivision (c), all indebtedness that is incurred on or after January 1, 2008, pursuant to this section, shall be repaid during a period not to exceed 30 years from the date on which it is incurred and shall bear interest at a rate not exceeding 10 percent per annum, or the rate allowed pursuant to Section 53531 of the Government Code, if higher, payable annually or semiannually or in part annually and in part semiannually.

(e) Each indebtedness shall be authorized by a resolution adopted by the affirmative votes of at least two-thirds of the members of the district board, shall be evidenced by a promissory note or contract signed by the president of the board and attested by the secretary or treasurer, and shall be sold at not less than 95 percent of the principal amount in the manner determined by the board at a discount ~~which~~ that equals the underwriter's spread. The board shall determine that the discount reflects an underwriter's spread ~~which~~ that is both reasonable and customary under the prevailing market conditions. One of the two signatures may be by facsimile reproduction. At the time of making the general tax levy after incurring each indebtedness and annually thereafter until the indebtedness is paid or until there is a sum in the treasury set apart for that purpose sufficient to meet all payments of principal and interest on the indebtedness as they become due, a portion of the taxes levied and collected pursuant to Section 50077 of the Government Code, if any, shall be levied and collected and set aside sufficient to pay the interest on the indebtedness and the part of the principal that will become due before the proceeds of a tax levied at the next general tax levy will be available.

(e)

(f) The indebtedness authorized to be incurred by this section shall be in addition to, and the provisions of this section shall not apply to, any bonded indebtedness authorized by vote of the electors.

SEC. 2. Section 5549 of the Public Resources Code is amended to read:

5549. (a) The general manager has the following administrative and executive functions, powers, and duties. The general manager shall do all of the following:

(1) Enforce this article and all ordinances and regulations of the district.

1 (2) Appoint subordinates, clerks, and other employees, and
2 exercise supervision and control over all departments and offices
3 of the district. Those appointees shall hold employment at the
4 pleasure of the general manager.

5 (3) Attend all meetings of the board unless excused by the board.

6 (4) Submit to the board for adoption any measures, ordinances,
7 and regulations he or she deems necessary or expedient.

8 (5) Enforce all terms and conditions imposed in favor of the
9 district or its inhabitants in any contract and report any violations
10 to the board or the police department, as appropriate.

11 (6) Prepare and submit the annual budget to the board, and
12 perform all other duties imposed by this article or by the board.

13 (b) (1) With the approval of the board, the general manager
14 may bind the district, in accordance with board policy, and without
15 advertising, for the payment for supplies, materials, labor, or other
16 valuable consideration for any purpose other than new construction
17 of any building, structure, or improvement in amounts not
18 exceeding ten thousand dollars (\$10,000), and for the payment for
19 supplies, materials, or labor for new construction of any building,
20 structure, or improvement in amounts not exceeding twenty-five
21 thousand dollars (\$25,000). All expenditures shall be reported to
22 the board of directors at its next regular meeting.

23 (2) Notwithstanding paragraph (1), with the approval of the
24 board, the general manager of the East Bay Regional Park District,
25 the general manager of the Midpeninsula Regional Open Space
26 District, and the general manager of the Sonoma County
27 Agricultural Preservation and Open Space District may bind those
28 districts, in accordance with board policy, and without advertising,
29 for the payment for supplies, materials, labor, or other valuable
30 consideration for any purpose, including the new construction of
31 ~~any a~~ building, structure, or improvement in amounts not exceeding
32 ~~twenty-five thousand dollars (\$25,000)~~ *fifty thousand dollars*
33 *(\$50,000)*. All expenditures shall be reported to the board of
34 directors at its next regular meeting.